



REPORT ON CORPORATE GOVERNANCE

Corporate Governance Philosophy

Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders to maximize stakeholders' value. The Company has always conducted itself by adhering to the core values of transparency, accountability and integrity in all its business practices and management. The Company believes that a business can be successful if it is ethical and meets the aspirations of all its stakeholders which include shareholders, employees, suppliers, customers, investors, communities or policymakers.

Over the years, we have strengthened relationships with our stakeholders in a manner that is dignified, distinctive and responsible. We continue to review and benchmark the corporate governance practices of the Company against best practices. These practices being followed since inception have contributed to the Company's sustained growth. The Company believes in carrying out its operations in a sustainable manner with minimal carbon footprints and optimal utilization of natural resources. The Board is collectively responsible to ensure that processes are structured to direct the Company's actions, assets and agents to achieve the aim of maximization of stakeholders' value.

Board of Directors

Composition & Board Diversity

The Board of Directors ('the Board') comprises of appropriate mix of Executive and Non-Executive Directors as required under the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to maintain the

independence of the Board and also to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities. The Board consists of eleven members, three of whom are Executive Directors, one Non-Executive (Non-Independent) Director (Chairman) and seven Independent Directors including one Women Director. The members of the Board are from diverse background having expertise in the fields of law, banking, economics, sustainability, energy conservation, finance & taxation, etc.

The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby, enhancing stakeholders' value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board also plays a crucial role in overseeing how the management serves the short and long term interests of stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and Independent Board. For Directors' Profile, please refer the 'Profile of Directors' section in the Annual Report.

Skills/Expertise/Competence of the Board of Directors

Core skills/expertise/competence required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:-

Sl. No.	Skills / Expertise / Competence required by the Board of Directors	Status of availability with the Board
1	Understanding of Business/Industry Experience and knowledge of business related issues in general and those of Cement business in particular	✓
2	Strategy and strategic planning Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities	✓
3	Critical and innovative thoughts The ability to analyse the information and share innovative approaches and solutions to the problems	✓
4	Financial Understanding Ability to analyse and understand the key financial statements, assess financial viability of the projects & efficient use of resources	✓
5	Market Understanding Understanding of the Cement Market dynamics	✓
6	Risk and compliance oversight Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliances, and monitor risk and compliance management frameworks	✓

On the basis of the above-mentioned skill matrix, the skills which are currently available with the Board are as under:-

Name of Directors	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial Understanding	Market Understanding	Risk and compliance oversight
Shri B. G. Bangur	✓	✓	✓	✓	✓	✓
Shri H. M. Bangur	✓	✓	✓	✓	✓	✓
Shri Prashant Bangur	✓	✓	✓	✓	✓	✓
Shri P. N. Chhangani	✓	-	✓	✓	✓	✓
Shri O. P. Setia	✓	-	✓	✓	-	✓
Shri R. L. Gaggar	✓	-	✓	✓	-	✓
Shri Shreekant Somany	✓	-	✓	✓	-	✓
Dr. Y. K. Alagh	✓	-	✓	✓	-	✓
Shri Nitin Desai	✓	-	✓	✓	-	✓
Shri Sanjiv Krishnaji Shelgikar	✓	-	✓	✓	-	✓
Ms. Uma Ghurka	✓	-	✓	✓	-	✓

Selection, Appointment and Tenure of Director

As per the Remuneration Policy, the Nomination cum Remuneration Committee facilitates the Board in identification and selection of the Directors carrying high integrity, relevant expertise and experience so as to have well diverse Board.

The Directors including the Independent Directors are appointed or re-appointed with the approval of the shareholders in accordance with the provisions of the law.

The Executive Directors are normally appointed for a term of five years. Except the Independent Directors, all other Directors including Non-Executive Directors are liable to retire by rotation and are eligible for re-appointment.

As required under rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (As amended), all the Independent Directors of

the Company has enrolled their names in the Independent Directors' data bank within stipulated time.

As required under Regulation 46(2)(b) of the Listing Regulations and Para IV of Schedule IV of the Act, the Company issues formal letter of appointment to the Independent Directors. The specimen thereof has been posted on the website of the Company in terms of the said provisions and can be accessed on the website of the Company at link https://www.shreecement.com/pdf/appointment_letter_of_independent_directors.pdf.

Category and Attendance of Directors

The names and categories of Directors, their attendance at the Board Meetings held during the year 2019-20 and at the last Annual General Meeting, and also the number of Directorships held by them in other Companies, Committee Membership / Chairmanship held by them, Directorship held in other listed entities and category of directorship are given below:-



Name of Director	Category	Attendance at AGM held on 9 th August, 2019	No. of Board Meetings attended during 2019-20	Directorship in other Companies	Committee Memberships in other Companies	Chairperson of Committees in other Companies	Number of shares held as at 31 st March, 2020	Directorship in other listed entity & Category of Directorship
Shri B. G. Bangur	Chairman (Non-Executive)	YES	4	1	-	-	10,221	NIL
Shri H.M. Bangur	Promoter Directors Managing Director	YES	4	-	-	-	4,82,063*	NIL
Shri Prashant Bangur	Joint Managing Director	YES	4	3	-	-	3,89,750*	NIL
Shri P. N. Chhangani	Professional Director Whole-Time Director	YES	3	-	-	-	-	NIL
Shri Q. P. Setia	Independent Director	YES	4	-	-	-	-	NIL
Shri R. L. Gaggar	Independent Director	YES	3	8	6	-	-	1. Duroply Industries Limited (formerly known as Sarda Plywood Industries Limited) (Independent Director) 2. TIL Limited (Independent Director) 3. International Combustion (India) Limited (Independent Director) 4. Sumedha Fiscal Services Limited (Independent Director)
Shri Shreekant Somany	Independent Director	NO	3	5	3	-	-	1. Somany Ceramics Limited (Chairman & Managing Director) 2. JK Tyre & Industries Limited (Independent Director)
Dr. Y. K. Alagh	Independent Director	YES	3	1	-	-	-	NIL
Shri Nitin Desai	Independent Director	YES	4	1	-	-	-	NIL
Shri Sanjiv Krishnaji Shelgikar	Independent Director	YES	4	11	-	-	-	NIL
Ms. Uma Ghurka	Independent Director	-	1	5	-	-	-	NIL
Dr. Leena Srivastava#	Independent Director	YES	2	-	-	-	-	-

* (i): Out of the 4,82,063 shares held by Shri H. M. Bangur, the beneficial interest on 14,100 shares is held by the following Trusts/Institutions (Belonging to Promoters Group):

- Benugopal Bangur Family Trust (Private Trust): 4,000 shares
- Sunder Devi Bangur Family Benefit Trust (Private Trust): 3,000 shares
- Sri Rama Nidhi (Family Deity): 7,100 shares

(ii): Out of the 3,89,750 shares held by Shri Prashant Bangur, the beneficial interest on 93,800 shares is held by the Shree Venkesh Ayurvedic Aushdhalaya, Charitable Institution (Belonging to Promoters Group)

Appointed w.e.f. 11th November, 2019 # Ceased w.e.f. 31st August, 2019 (Close of business hours)

Notes:

1. The directorships held by Directors as mentioned above, do not include directorships in foreign companies.
2. In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairpersonship of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding Shree Cement Ltd.) have been considered.
3. Shri H. M. Bangur is son of Shri B. G. Bangur and father of Shri Prashant Bangur. Shri Prashant Bangur is son of Shri H. M. Bangur and grandson of Shri B. G. Bangur. Except this, there are no inter-se relationships among other Directors.

Four meetings of the Board of the Company were held during financial year 2019-20 i.e. on 18th May, 2019, 9th August, 2019, 19th October, 2019 and 14th February, 2020. The gap between any two meetings did not exceed 120 days.

Board Procedures

The Board of Directors of the Company acts in the capacity of 'management trustee', being responsible for managing the affairs of the Company on behalf of the shareholders. Therefore, it is absolutely necessary to ensure complete transparency and foresightedness in the decision-making process. The Board takes decision based on detailed discussions and deliberations. The members of the Board have complete independence to raise any issue/matter for discussion.

Meetings of the Board are governed by a structured agenda. Agenda of meeting is circulated to the Board Members well in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. To supplement this, it is ensured that Board Members are presented with all the relevant information, in addition to the agenda of the meeting, for review on vital matters affecting the working of the Company including the minimum information to be placed before the Board as inter-alia specified under Regulation 17(7) of the Listing Regulations.

Board Independence

Seven Directors out of eleven Directors of the Company are Independent Directors as per the criteria specified in the Listing Regulations and the Companies Act, 2013 (As amended). All Independent Directors make annual disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving sitting fee and commission as an Independent Director. Further, no Independent Director has resigned before the expiry of the tenure during the year. In opinion of the Board of Director of the Company, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the Management.

Separate Meeting of Independent Directors

The Independent Directors of the Board met, without the presence of any Non-Independent Director and/or Management Representative, on 14th February, 2020 to inter-alia discuss the following:-

- Review of performance of Non-Independent Directors;
- Review of performance of Board as a Whole;
- Review of Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors were assisted by an independent external facilitator to carry out the evaluation process. The outcome of the meeting was appraised to the Chairman of the Company.

Induction and Familiarization Programme for Independent Directors

A detailed presentation is provided to the Independent Directors of the Company at the time of their appointment, which covers their role, duties and responsibilities, Company's strategy, business model, operations, markets, organisation structure, products, etc. The said presentation is also provided to existing Independent Directors every year.

As part of Board discussions, presentation on performance of the Company is made to the Board during its meeting(s). Plant visits are also arranged for Independent Directors from time-to-time for better understanding of the Company's operations. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed on the website of the



Company at link https://www.shreecement.com/pages/shareholders_information.php.

Governance Structure

The Company has put in place a governance structure with defined roles and responsibilities of every constituent of the system. The shareholders of the Company appoint the Directors who act as trustees towards the stakeholders of the Company. The Board of Directors discharges its responsibilities in an effective manner with the help of various Board Committees and the Management of the Company. The Company Secretary acts as Secretary to all Committees of the Board. The Chairman of the Company is responsible for fostering a culture which enables the Board to carry out its functions in a harmonious manner and ensure that the Board provides effective governance and guidance to the Company. The Chairman presides at meetings of the Board and also of the Shareholders of the Company. The Managing Director is responsible for overall management of the Company and provides strategic direction for business strategies, growth and expansion of business along with taking all other policy decisions having significant business and financial implications. The Joint Managing Director is also involved in the management of the Company including executing all strategic and policy decisions and providing critical insights and directions in the operational and management decisions of the Company. The Whole Time Director and other Senior Executives of the Company executes the day-to-day operational matters under the overall guidance and supervision of the Managing Director and the Joint Managing Director thereby, strengthening the effectiveness of control in managing the affairs of the Company.

Board Committees

The Board has constituted the following Committees of Directors to look into and monitor the matters falling within their terms of reference:

A. Audit and Risk Management Committee

A.1. Terms of Reference

The Audit and Risk Management Committee ('Committee') reviews the matters falling in its terms of reference and addresses larger issues that could be of vital concerns to the Company. The Committee constituted by the

Board in terms of Section 177 of the Companies Act, 2013 and Listing Regulations meets the requirement of the said section and the Listing Regulations.

The terms of reference of the Committee broadly includes matters pertaining to review of financial reporting process, adequacy of internal control systems, discussion of financial results, interaction with Auditors, appointment and remuneration of Auditors, adequacy of disclosures, Risk Management framework and other relevant matters. In particular, these include:-

- Review the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the Director's Responsibility Statement of the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Act;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s), if any, in the draft audit report;
- Review the quarterly financial statements before submission to the Board for approval;
- Reviewing the financial statements of subsidiaries in particular, the

investments made by the unlisted subsidiaries of the Company, if any;

- Oversight Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing and monitoring the Auditor's independence & performance and effectiveness of audit process;
- Approval (including omnibus approval) or any subsequent modification of transactions with related parties;
- Scrutiny of inter-corporate loans and investments;
- Review the utilization of loans and/ or advances / investment made in the subsidiary Company(ies) exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings & follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected

fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Review the management discussion and analysis of financial condition and results of operations;
- Review the management letters / letters issued by the statutory auditors and internal audit reports on internal control weaknesses;
- Review of the appointment, removal and terms of remuneration of the chief internal auditor of the Company;
- Formulating and recommending the Risk Management Policy Procedure and Plans to the Board and review and evaluation of the Risk Management System;
- To monitor and review issues/risks related to Cyber Security of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the Audit and Risk Management Committee.

A.2. Composition, meetings and attendance

All members of the Committee are financially literate. Shri O. P. Setia, Chairman of the Committee is having the relevant accounting and financial management expertise. During the year under review, the Committee met four times i.e. on 18th May, 2019, 9th August, 2019, 19th October, 2019 and 14th February, 2020. The maximum gap between any two meetings was not more than four months.



Name of Member	Category	Qualification of the Member	No. of Meetings Attended
Shri O.P. Setia - Chairman	Independent & Non-Executive Director	The Chairman is Master of Commerce and Ex-Managing Director of State Bank of India and has held many key positions in its associate banks. He possesses the requisite accounting and financial management expertise.	4
Shri R. L. Gaggar	Independent & Non-Executive Director	Member is a renowned Solicitor and Advocate based at Kolkata. He is practicing at the High Court of Kolkata for over 50 years. He has good accounting and financial management knowledge.	3
Dr. Y. K. Alagh	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge.	3
Shri Nitin Desai	Independent & Non-Executive Director	Member is a noted Economist. He has good accounting and financial management knowledge.	4
Shri Shreekant Somany	Independent & Non-Executive Director	Member is Eminent Industrialist having rich experience of Business. He has good accounting and financial management knowledge.	3
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	Member is a veteran Chartered Accountant and possesses the requisite accounting and financial management expertise.	4
Shri Prashant Bangur*	Executive Director	Member has expertise in Corporate Business Planning & Management and has good accounting and financial management knowledge.	4

* Ceased as member of the Committee w.e.f. 14th February, 2020.

A.3. Invitees to the Committee

The Whole Time Director, Chief Finance Officer (CFO) and Company Secretary along with the representative(s) from Statutory and Internal Auditors of the Company are permanent invitees for responding to the observations of the Committee. Also, other directors of the Company join the meeting based on requirement as invitees.

B. Nomination cum Remuneration Committee

B.1. Terms of Reference

Committee is empowered to-

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board for their appointment and/or removal;
- Formulate the system and procedure for evaluating performance of Directors;
- Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board, a policy

relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

- Formulate the criteria for evaluation of performance of Independent Directors and of the Board of Directors as a whole;
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- to see the diversity of the Board of Directors of the Company;
- to extent or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, a amendment or modification, as may be applicable; and
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

B.2. Composition, meetings and attendance

The Nomination cum Remuneration Committee consists of all Independent Directors and during the year under review, the Committee met on 18th May, 2019 & 19th October, 2019. The composition of the Committee and particulars of attendance at the Committee Meetings are given below:

Name of the Member	Category	No. of Meetings Attended
Shri R. L. Gaggar - Chairman	Independent & Non-Executive Director	1
Shri O. P. Setia	Independent & Non-Executive Director	2
Shri Shreekant Somany	Independent & Non-Executive Director	2
Dr. Y. K. Alagh	Independent & Non-Executive Director	1

B.3. Performance evaluation criteria for Independent Directors

The performance evaluation criteria laid down for the Independent Directors covers their attendance and contribution at Board/ Committee meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/ Committee meetings, etc.

B.4. Remuneration Policy

The Company believes in nourishing a people-friendly environment aimed at attaining high and sustainable growth where each and every personnel working with it is able to achieve the Company's vision of being the best in the industry. The objective of the remuneration policy is -

- to enable the Nomination cum Remuneration Committee to attract highly qualified executives to join the Board of Directors and top management of the Company;
- to enable the top management to attract, recruit and retain people at senior level positions in the organization;
- to enable the top management working along with senior personnel and Human Resource group of the organization to attract, recruit, motivate and retain the best talent available to join its team;
- to create value for all stakeholders in an efficient and responsible manner; and
- to ensure that the Directors, Executives and prescribed officers are remunerated fairly and responsibly with the long term interest of the Company in mind.

The policy covers appointment and fixing of remuneration for all the Directors as well as Key Management Personnel (KMP) of the Company which includes the Chief Finance Officer and the Company Secretary. It also includes the appointment of other Senior Management Personnel which the Board may decide to appoint and who may report to the top management of the Company. Further, the appointment and remuneration of other employees of the Company shall also be guided by this policy although the specific implementation may be undertaken by the respective department responsible for hiring in the Company. The Remuneration Policy of the Company is posted on the website of the Company and can be accessed on the website of the Company at link https://www.shreecement.com/pdf/remuneration_policy_new.pdf.

B.5. Remuneration of Directors

Executive Directors

The remuneration of the Executive Directors is decided by the Board based on the recommendations of the Nomination cum Remuneration Committee. The remuneration is decided based on broad criteria(s) like industry trend, remuneration package in other comparable corporates, job contents and key performance areas, Company's performance etc. The remuneration structure comprises of salary, contribution to provident, superannuation & annuity funds perquisites & allowances and gratuity in accordance with Company's rules and Commission/ Bonus to the Executive Directors, at the end of the year, is determined and approved by the Board. Necessary approvals from shareholders are



sought in the general meetings for approval of the remuneration package(s). Executive Directors are not paid any sitting fees for attending meetings of Board and Committee thereof.

Non-Executive Directors

The remuneration of the Non-Executive Directors comprises of sitting fees and commission. Non-Executive Directors are paid sitting fees of ₹ 75,000 for each meeting of the Board and its Committees attended by them which is within the limits prescribed

under the Companies Act, 2013. Besides the sitting fees, they are also paid commission. Payment of commission to Non-Executive Directors including Independent Directors is made based on their contribution in the Board deliberations and Company's performance. None of the Non-Executive Director has any pecuniary relationship or transaction with the Company apart from receiving the sitting fee and commission as aforesaid. The details of remuneration package, fees paid, etc. to the Directors for the year ended on 31st March, 2020 are given hereunder:-

A. Working Directors - Salary

(₹ in Lac)

Director	Category	Fixed Component		Performance	Total
		Basic Salary	Allowances Perquisites and other Benefits	Linked Incentives/ Commission	
Shri H.M. Bangur	Managing Director	1,500.00	1,475.98	1,200.00	4,175.98
Shri Prashant Bangur	Jt. Managing Director	477.00	899.84	700.00	2,076.84
Shri P.N. Chhangani	Whole-Time Director	140.00	119.89	177.26	437.15

B. Non-Executive Directors

(₹ in Lac)

Director	Category	Commission	Sitting Fees	Total
Shri B.G. Bangur	Non-Executive Chairman	25.00	3.00	28.00
Shri R.L. Gaggar	Independent Director	25.00	6.75	31.75
Shri Shreekant Somany	Independent Director	25.00	6.75	31.75
Shri O.P. Setia	Independent Director	25.00	9.00	34.00
Dr. Y.K. Alagh	Independent Director	25.00	6.75	31.75
Shri Nitin Desai	Independent Director	25.00	8.25	33.25
Shri Sanjiv Krishnaji Selgirkar	Independent Director	25.00	7.50	32.50
Ms. Uma Ghurka ^A	Independent Director	25.00	1.50	26.50
Dr. Leena Srivastava*	Independent Director	NIL	2.25	2.25

^{\$} The Allowances, Perquisite and other Benefits include contribution to Provident, Superannuation and Annuity Funds, Leave Encashment and Gratuity (if paid). The value of perquisites is calculated in accordance with the rules framed under the Income Tax Act, 1961.

^A Appointed w.e.f. 11th November, 2019 * Ceased w.e.f. 31st August, 2019 (Close of business hours).

Service Contract, Notice Period, Severance Fees and Stock Options

- The appointment of Shri H. M. Bangur, Managing Director, Shri Prashant Bangur, Joint Managing Director & Shri P. N. Chhangani, Whole Time Director is for five years from the date of their respective appointment.
- Notice period as per the Rules of the Company.
- Except Gratuity and Earned Leave at the end of the tenure, no other severance fees is payable.
- No Stock Options were granted during the year.

C. Stakeholders' Relationship Committee

C.1. Terms of Reference

Committee is empowered to -

- Review and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review measures taken for effective exercise of voting rights by shareholders.
- Review the adherence to the service standards adopted by the listed entity in

respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely payment of dividend/dispatch of annual reports/statutory notices to the shareholders of the Company.
- Monitor redressal of investors' grievances.

C.2. Composition, meeting and attendance

The Stakeholders' Relationship Committee consists of all Independent Directors and during the year under review, one meeting of the Committee was held on 14th February, 2020. In the said meeting, the Committee reviewed the status of investors' complaints received and resolved during the calendar year 2019. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member	Category	No. of Meetings Attended
Shri R. L. Gaggar-Chairman	Independent & Non-Executive Director	1
Dr. Y. K. Alagh	Independent & Non-Executive Director	1
Shri Nitin Desai	Independent & Non-Executive Director	1

C.3. Particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year

Link Intime India Private Limited has started acting as new Registrar and Transfer Agent of the Company in place of KFin Technologies Private Limited (formerly Karvy Fintech Private Limited) with effect from 17th January, 2020, for carrying out the share transfer & other related work. Shri S. S. Khandelwal, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of the Listing Regulations. The Share Transfer Agent(s)/Company has timely resolved/attended all the complaints and no complaint or grievance remained

unattended/unresolved at the end of the year. Details of the complaints received and resolved during, the year ended 31st March, 2020 are as under:-

Sl. No.	Nature of Complaints	No. of Complaints received	No. of Complaints resolved
I	Dividend related issues	1	1
II	Dematerialization related issues	3	3
III	Annual Report related issues	4	4
Total		8	8

Any Member/Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary & Compliance Officer with a copy of the earlier correspondence.

D. Corporate Social and Business Responsibility Committee (CSBR Committee)

As required under Section 135 of the Companies Act, 2013, the Company has constituted CSBR Committee of Directors to inter-alia formulate Corporate Social Responsibility (CSR) Policy, recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy, monitor the CSR policy, etc. The terms of reference and other details are as follows:-

D.1 Terms of Reference:

The Committee is empowered to:-

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy;
- recommend the amount of expenditure to be incurred on the activities in line with the objectives given in CSR policy;
- oversee the Company's activities and contribution with regard to its corporate and societal obligations & its reputation as a responsible corporate citizen;
- review the performance of the Company on environment, governance and sustainability initiatives & matters;
- approve the policies on principles as required in terms of Business Responsibility Reporting requirements and changes/modifications required from time to time in such policies; and



- to approve Company's report on Business Responsibility Reporting requirements.

D.2. Composition, meeting and attendance

During the year under review, the CSBR Committee met once on 18th May, 2019. The composition of the Committee and particulars of attendance at the Committee Meeting are given below:-

Name of the Member	Category	No. of Meetings Attended
Shri O. P. Setia - Chairman	Independent & Non-Executive Director	1
Shri Prashant Bangur	Executive Director	1
Shri Nitin Desai	Independent & Non-Executive Director	1
Dr. Leena Srivastava*	Independent & Non-Executive Director	1
Shri Sanjiv Krishnaji Shelgikar	Independent & Non-Executive Director	1
Shri P. N. Chhangani\$	Whole Time Director	NA
Ms. Uma Ghurka\$	Independent & Non-Executive Director	NA

*Ceased w.e.f. 31st August, 2019 (Close of business hours)
\$ Inducted as Member w.e.f. 14th February, 2020

Subsidiary Companies

The Audit and Risk Management Committee of the Board of Directors of the Company reviews the financial statements, in particular, the investments, if any, made by its unlisted subsidiary company. Statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any is placed before the Board for review. Copies of Minutes of the Board Meeting(s) of the Subsidiary Companies are tabled at the Board Meeting of the Company. In line with the amended Regulation 24 of the Listing Regulations (effective 1.4.2019), Company has appointed Shri Sanjiv Krishnaji Shelgikar, Independent Director of the Company on the Board of Directors of unlisted material subsidiaries. The policy for determining material subsidiaries as approved by the Board is posted on the website of the Company and can be accessed at link <https://www.shreecement.com/pages/policies.php>.

General Body Meetings

The required information under Regulation 34(3) read with Schedule V of the Listing Regulations is given under the "Shareholders' Information" separately in the annexure to this Corporate Governance Report.

Disclosures

- Related Party Transactions:** There were no material related party transactions during the year 2019-20 that have conflict with the interest of the Company as provided under Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. All related party transactions have been approved by the Audit and Risk Management Committee. The policy on Related Party Transactions as approved by the Audit and Risk Management Committee and the Board is available on Company's website and can be accessed at link: <https://www.shreecement.com/pages/policies.php>.
- Non-compliance/strictures/ penalties imposed:** No non-compliance / strictures/penalties have been imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority on any matters related to capital markets during the last three years.
- Risk Management:** Risk evaluation and management is an on-going process within the organisation. The Company has a well-defined risk management framework in place. The Company periodically places before the Audit and Risk Management Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
- Vigil Mechanism:** The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and instances of leakage of unpublished price sensitive information. The

policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit and Risk Management Committee.

- Certificate from Practicing Company Secretary:** A certificate from Shri Pradeep Pincha, Practicing Company Secretary is attached and forms part of this report certifying that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of company, by the SEBI or Ministry of Corporate Affairs or any such statutory authority.
- Total fee paid to Statutory Auditors:** Total fees paid by the Company for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them, is ₹ 67.25 Lacs (includes Audit fees and certification / other services).
No fee was paid by Subsidiary Companies to Statutory Auditor for such services.
- Confirmation by the Board of Directors' Acceptance of Recommendation of Mandatory Committees:** During the year, there were no such instances of non-acceptance by the Board of any mandatory recommendations made by the Committees.
- Details of utilization of funds raised through preferential allotment or qualified institutions placement:** Company during the year under review, has raised ₹ 2,400 Crore by allotting 12,43,523 equity shares of ₹ 10 each at a price of ₹ 19,300 (which was at 2.56% discount to Floor Price of ₹ 19,806.46 determined in terms of Regulation 176 of Chapter VI of SEBI ICDR Regulations) on 23rd November, 2019. Consequently, the Paid-up Equity share Capital of the Company stands increased from ₹ 34.84 Crores to ₹ 36.08 Crores (Total Equity shares of

the Company increased from 3,48,37,225 Equity shares to 3,60,80,748 Equity shares). The Company has received the necessary listing and trading approval from the concerned Stock Exchanges (i.e. NSE & BSE) w.e.f. 26th November, 2019. The object of the raising of the funds is to utilize the same for business purposes such as funding future growth opportunities and/or strategic acquisitions, general corporate requirements as well as meeting our working capital requirement, pre-payment and/or repayment of loans and/or any other purposes, as may be permissible under applicable law and approved by the Board or its duly constituted committee. Till 31st March, 2020, the Company is yet to utilize the above proceeds.

- Commodity price risk or foreign exchange risk and hedging activities:** Company's foreign exchange risk emanates from forex borrowings and import of fuel and other raw materials. For all forex loans, Company maintains 100% forward cover against foreign exchange risk. As regards import of fuel and other raw materials, the Company decides about the hedging based on prevailing market conditions period of exposure, amount involved etc. The Company does not have any exposure hedged through Commodity derivatives.
- Disclosure pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**
The details of the complaints pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:-

Sl. No.	Particulars	No. of Complaints
1	Number of complaints filed during the financial year 2019-20	NIL
2	Number of complaints disposed of during the financial year 2019-20	NIL
3	Number of complaints pending as at end of the financial year 2019-20	NIL



Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations. Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under:-

- a. **Non-Executive Chairman's Office:** The Company maintains a separate office for the Chairman of the Company who is Non-Executive Director with all necessary infrastructure. All assistance is made available to enable him to discharge his responsibilities effectively.
- b. **Shareholder's Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the

Company's website, the same are not being sent to the shareholders.

c. **Modified opinion in Auditors' Report:** Company's financial statement for the year 2019-20 does not contain any modified audit opinion.

d. **Separate posts of Chairperson and Chief Executive Officer:** The Company is having separate posts of Chairman (Non-Executive) and Managing Director.

e. **Reporting of Internal Auditors:** The Internal Auditors of the Company submit reports to the Audit and Risk Management Committee and have direct access to it.

Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46 (2) (b) to (i)	Website (Update)	Yes

CEO / CFO Certification

In terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Finance Officer of the Company is required to issue annual certification on financial reporting and internal controls to the Board. The certificate for financial year 2019-20 given by the Managing Director and the Chief Finance Officer is annexed to this Report. The Managing Director and the

Chief Finance Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2) of the Listing Regulations.

Code of Conduct

The Board of Directors has laid down a Code of Conduct known as Policy on Ethics, Transparency and Accountability for all the Board Members and Employees of the Company. The code covers, amongst other things, Company's commitment to honest and

ethical personal conduct, fair competition, corporate social responsibility, sustainable development, health & safety, transparency and compliance of laws & regulations, etc. The code of conduct is posted on the website of the Company.

All the Board members and Senior Management personnel have confirmed compliance with the code for the year 2019-20. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

Prevention of Insider Trading

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated and implemented a Code of Conduct for Regulating, Monitoring and Reporting of trading by the Designated Persons and their immediate relatives. All the Designated Persons as defined in the Code are governed by this Code. The Company has appointed Shri S.S. Khandelwal, Company Secretary as Compliance Officer who is responsible for setting forth procedures & implementation of the Code. The Company has also formulated and uploaded on its website the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information as envisaged under Regulation 8(1) of above regulations and nominated Company Secretary, Shri S. S. Khandelwal as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

As required under Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulation, 2015 (as amended), Audit and Risk Management Committee of the Board of Directors of the Company has reviewed the Compliances with the provisions of these regulations and has also verified the internal control systems in this respect and the same are adequate and operating effectively.

Means of Communications

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications. Details of communication mode are as under -

- The unaudited quarterly and audited annual financial results are announced immediately after approval from the Board and sent to respective stock exchanges where the Company's shares are listed within the time specified in the Listing Regulations.
- Thereafter, these are circulated among media/news agencies/ analyst, etc. and are displayed on the Company's website www.shreecement.com. These results are also published in leading newspapers normally with Financial Express, Economic Times, Mint, Business Line, Dainik Bhaskar, Dainik Navjyoti, Rajasthan Patrika within forty-eight hours.
- The Annual Report, inter-alia, containing Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report including Management Discussion and Analysis, Auditors' Report and other important information is circulated to members and others entitled thereto.
- Presentation made to institutional investors or to the analysts are also submitted with respective stock exchanges where the Company's shares are listed and are also displayed on the Company's website www.shreecement.com.
- **NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (Listing Centre):** Both NEAPS and Listing Centre are web-based applications designed for corporates by the respective stock exchanges. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, media releases, etc. are filed electronically on these platforms.
- **SEBI Complaints Redress System (SCORES):** This is a centralised web-based complaint redressal system designed by SEBI for investors. Companies are required to upload online Action Taken Reports (ATRs) against the complaints filed by investors and simultaneously investors can view the actions taken on the complaint and its current status.
- **Website:** The Company's website www.shreecement.com contains a separate dedicated section 'Investor Centre' wherein all information related to Members/Investors has been made available.



ANNEXURE TO CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' INFORMATION

Annual General Meeting

Day & Date of AGM	Time	Venue
Monday, 6 th July, 2020	2.00 p.m. (IST)	Through Video Conferencing / Other Audio Visual Means [Deemed Venue for Meeting: Registered Office: Bangur Nagar, Beawar - 305901, Distt.: Ajmer, Rajasthan]

Details of the Annual General Meeting held in the last three years are as under:

Year Ended	Day & Date of AGM	Time	Venue
31 st March, 2017	Monday, 31 st July, 2017	1:00 PM	'Rangmanch Auditorium', Bangur Nagar, Beawar - 305901, Distt.: Ajmer, Rajasthan
31 st March, 2018	Monday, 30 th July, 2018	11:30 AM	
31 st March, 2019	Friday, 9 th August, 2019	11:30 AM	

Special Resolution(s) passed in previous three AGMs:

Date of AGM	Special Resolution(s) passed by Members
31 st July, 2017	a) Re-appointment of Shri Prashant Bangur as Joint Managing Director of the Company for a period of five years w.e.f. 1 st April, 2017 and terms and conditions as to his remuneration b) Authorization to Board of Directors for issue of Non-convertible Debentures (NCDs) through Private Placement pursuant to Section 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
30 th July, 2018	a) Increase in Borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 b) Authorisation to Board of Directors for creation of charges/mortgages in respect of borrowings pursuant to Section 180(1)(a) of the Companies Act, 2013 c) Authorization to Board of Directors for issue of Non-Convertible Debentures (NCDs) through Private Placement pursuant to Section 42 & 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
9 th August, 2019	a) Re-appointment of Shri Ratanlal Gaggar (DIN: 00066068) as an Independent Director for second term of 5 (five) years w.e.f. 1 st September, 2019 b) Re-appointment of Shri Om Prakash Setia (DIN: 00244443) as an Independent Director for second term of 5 (five) years w.e.f. 1 st September, 2019 c) Re-appointment of Dr. Yoginder Kumar Alagh (DIN: 00244686) as an Independent Director for second term of 5 (five) years w.e.f. 1 st September, 2019 d) Re-appointment of Shri Nitin Dayalji Desai (DIN: 02895410) as an Independent Director for second term of 5 (five) years w.e.f. 1 st September, 2019 e) Re-appointment of Shri Shreekant Somany (DIN: 00021423) as an Independent Director for second term of 5 (five) years w.e.f. 1 st September, 2019

Special Resolution passed through Postal Ballot

During the year, the Company has carried out postal ballot process in accordance with Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, to obtain consent of members by way of Special Resolution(s) for Raising of funds in one or more tranches, by issuance of equity shares by way of Qualified Institutions Placement for an amount not exceeding ₹ 3,000 crore and for Partial modification in terms of remuneration of Shri Prakash Narayan Chhangani, Whole Time Director of the Company.

The Board appointed Shri Pradeep Pincha (Membership No. FCS 5369) Practising Company Secretary as scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The details of voting pattern of postal ballot resolutions are as under:-

Sl. No.	Description of Resolution	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast in Favour	Votes Dissenting the Resolution	% of Votes Cast Against
1	Raising of funds in one or more tranches, by issuance of equity shares by way of qualified institutions placement(s) for an amount not exceeding ₹ 3,000 crore	2,78,92,721	2,78,85,249	99.9732	7,472	0.0268
2	Partial modification in terms of remuneration of Shri Prakash Narayan Chhangani, Whole Time Director of the Company	2,74,10,903	2,58,83,115	94.4263	15,27,788	5.5737

All the aforesaid resolutions were passed with requisite majority.

None of the businesses is proposed to be transacted through Postal Ballot before the ensuing Annual General Meeting.

Procedure for Postal Ballot

Postal Ballot Notice ("Notice") containing the proposed resolution(s) and explanatory statement pursuant to Section 102 and other applicable provisions, if any, of the Act, are sent electronically to all the members whose email address is registered with the Company/their Depository Participant. The Company also dispatches the Notices and Postal Ballot Form ("Form") along with postage prepaid envelope to its members whose email addresses are not registered, through permitted mode of dispatch. Further, the Company also gives option to the members to cast their vote electronically instead of dispatching the Form. The Forms received upto the last day notified in the Notice and the votes cast on the e-voting platform within specified time are considered by the Scrutinizer. The Scrutinizer submits his report to the Chairman and the results of the voting by Postal Ballot is declared/announced by the Chairman or any other person authorised by him. The results are also displayed on the Company's website (www.shreecement.com) besides being communicated to the stock exchanges.

Financial Year and Tentative Financial Calendar

Company follows period of 1st April to 31st March as its Financial Year. Tentative financial calendar for the Financial Year 2020-21 is as under:-

Un-audited Financial Results:	
First Quarter ending on 30 th June, 2020	Within 45 days from the end of quarter
Second Quarter/half year ending on 30 th September, 2020	Within 45 days from the end of quarter
Third Quarter ending on 31 st December, 2020	Within 45 days from the end of quarter
Audited Financial Results:	
Year ending on 31 st March, 2021	Within 60 days from the end of the financial year

Dividend Payment Date

Particular	Payment Date
Interim Dividend for the year 2019-20 (Already paid)	27 th February, 2020



Credit Ratings

Credit Ratings obtained by the Company along with any revisions thereto during the financial year 2019-20 are as follows:-

Facilities	Amount (₹ Crores)	Rating	Rating Action
Long-term Bank Facilities	1,100.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Short-term Bank Facilities	800.00	CARE A1+ (A One Plus)	Reaffirmed
Total	1,900.00		
Commercial Paper	600.00	CARE A1+ (A One Plus)	Reaffirmed

Dividend Distribution Policy

The Dividend Distribution Policy of the Company is as under:-

"Your company has uninterrupted and increasing dividend pay out track record since 2000-01. The management is confident of maintaining the same. The yearly outgo of dividend is dependent on the prevalent macro economic conditions as well as the industry specific scenario. It also depends on the capital expenditure program under implementation. The retained earnings as in past, shall always be used for the expansion of business."

Listing on Stock Exchange(s)

Name of Stock Exchange	Stock Code
BSE Limited P J Towers, Dalal Street, Fort, Mumbai - 400 001	500387
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	SHREECEM EQ

Name of the Depositories (for Demat only)	ISIN
National Securities Depository Ltd. Trade World, 'A' Wing, 4 & 5 Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013	INE070A01015
Central Depository Services (India) Ltd. P J Towers, 17 th Floor, Dalal Street, Fort, Mumbai - 400 001	INE070A01015

Company's equity shares have been included in Nifty 50 index w.e.f. 19th March, 2020.

The Company has paid listing fees to all the Stock Exchanges where its securities are listed for the financial year 2019-20.

Corporate Identification Number (CIN): L26943RJ1979PLC001935

Market Price data

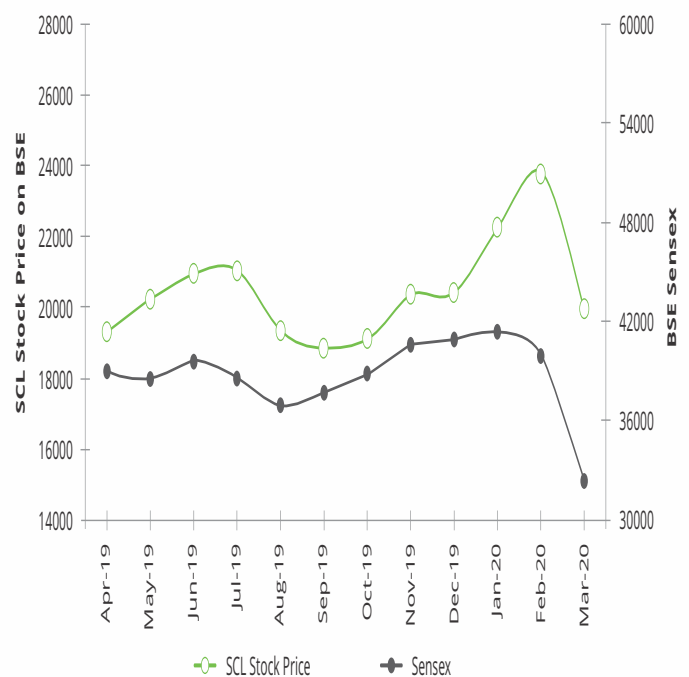
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
April-19	20,199.95	18,450.00	11,315	20,200.00	18,422.00	5,61,186
May-19	21,899.85	18,575.00	44,890	21,950.00	18,540.40	7,17,218
June-19	22,051.00	19,849.75	32,084	22,100.35	19,857.10	5,10,241
July-19	22,200.00	19,908.00	27,911	22,399.90	19,889.55	4,57,930
August-19	20,805.00	17,931.50	27,022	20,918.30	17,929.15	6,70,077
September-19	20,450.45	17,280.00	10,883	20,490.00	17,285.70	6,32,863
October-19	20,495.35	17,743.25	14,767	20,600.00	17,727.00	5,17,539
November-19	21,399.20	19,367.70	19,538	21,438.00	19,368.05	5,15,161
December-19	21,049.50	19,843.65	4,585	21,099.95	19,838.20	3,37,107
January-20	24,250.00	20,307.00	19,135	24,263.05	20,287.05	7,46,844
February-20	25,341.20	22,247.95	61,057	25,355.00	22,250.15	8,32,816
March-20	23,876.45	16,103.85	52,020	23,896.50	16,068.15	17,61,409
TOTAL			3,25,207			82,60,391

Performance of Company's Share price in comparison to broad-based indices

Indices	BSE (Sensex)	SCL Quote at BSE (₹)	NSE (Nifty)	SCL Quote at NSE (₹)
1 st April, 2019 (Open)	38,858.88	18,800.00	11,665.20	18,760.00
31 st March, 2020 (Close)	29,468.49	17,574.95	8,597.75	17,546.35
Increase/(Decrease)	(9,390.39)	(1,225.05)	(3,067.45)	(1,213.65)
% Increase/(Decrease)	(24.17)%	(6.52)%	(26.30)%	(6.47)%

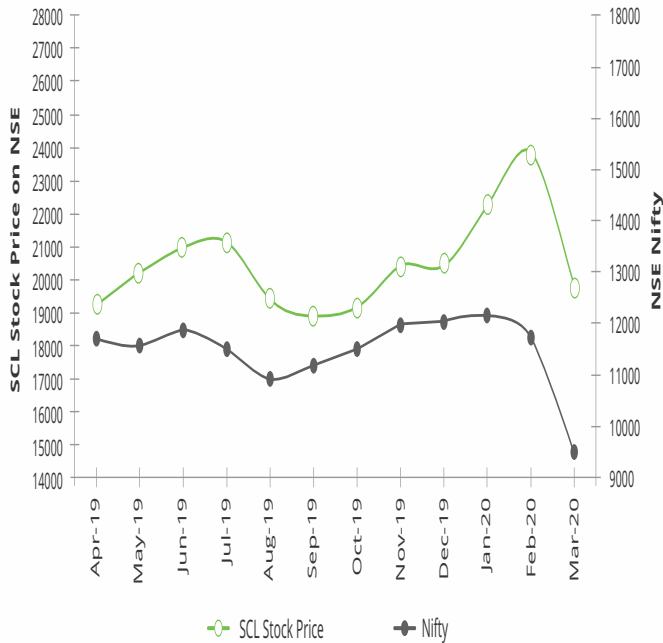
Movement of Shree Cement's Share price vis-à-vis Sensex in FY 2019-20

(Average of monthly high-low)





Movement of Shree Cement's Share price vis-à-vis Nifty in FY 2019-20 (Average of monthly high-low)



Share Transfer System

Transfer of shares in dematerialised form is done through the Depository Participant (DP) without any involvement of the Company/Registrar & Share Transfer Agent. As regards transfer of shares in physical form, the transfer document can be lodged with Link Intime India Private Limited, Registrar & Share Transfer Agent or with the Company.

The physical shares along with valid, duly executed and stamped Securities Transfer Form (Form No. SH-4) signed by the member (or on his/ her behalf) and the transferee, as and when received, are duly processed and shares in respect of valid transfer instruments are transferred in the name of transferees after observing compliance with the rules in force. The Compliance Officer i.e. Company Secretary has been delegated the power to approve registration of transfers/ transmission/transposition of shares. Duly transferred share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

However, SEBI vide its Notification No. SEBI/LAD-NRO/ GN/2018/24 dated 8th June, 2018 & Notification No. SEBI/

LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1st April, 2019, transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository (except in case of transmission or transposition of securities). In view of the same, now the shares cannot be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately.

Change of Registrar and Share Transfer Agent of the Company

Company has terminated the services of the KFin Technologies Private Limited ('KFin Technologies') (formerly Kany Fintech Private Limited) as Registrar & Share Transfer Agent and has appointed Link Intime India Private Limited as Registrar & Share Transfer Agent with effect from 17th January, 2020.

Nomination facility

As per the provisions of Section 72 of the Companies Act 2013, facility for making nominations is available to

individuals holding shares of the Company. Members holding shares in physical form, may obtain the Nomination Form (Form SH-13) from the Registered Office of the Company or Registrar & Share Transfer Agent or can be downloaded from the Company's website viz. www.shreecement.com under the section 'Investor Center'. Investors holding share in electronic form should contact their concerned Depository Participant (DP) directly for nomination.

Unclaimed Dividends and transfer to IEPF

In accordance with the provisions of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ('IEPF rules'), dividend which remains unclaimed for a period of seven years or more from the date of transfer to the 'Unpaid Dividend Account' of the Company shall be transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. As per practice, Company sends reminders to shareholders whose dividend amount is unpaid before transferring the same to IEPF. During the year, the Company has transferred the amount of unclaimed and unpaid Second Interim & Final Dividend for year 2011-12 within the prescribed due date.

For the dates of transfer of unpaid dividend amount to IEPF, please refer the relevant section of Notice of the 41st Annual General Meeting of the Company. Shareholders are requested to approach the Company, if they have not received/encashed their dividend warrants of relevant year.

In compliance with the IEPF rules, the Company has uploaded the information in respect of dividend amounts remaining unpaid and unclaimed as on date of 40th Annual General Meeting of the Company with the Ministry of Corporate Affairs. The same information has been uploaded on Company's website www.shreecement.com as prescribed in the above referred rules. Shareholders can visit website of MCA/ Company for checking the status of dividend amounts remaining unpaid/unclaimed dividend in respect of their holding in the Company. Members whose unpaid dividends were transferred to IEPF, can claim the

amounts by following prescribed procedures/ guidelines which are available at website of the Company at https://www.shreecement.com/pages/shareholders_information.php and website of the IEPF authority at <http://www.iepf.gov.in/IEPF/refund.html>.

Transfer of underlying shares into Investor Education and Protection Fund (IEPF)

In terms of Section 124(6) of the Companies Act, 2013 read with IEPF rules, the Company is required to transfer shares to the IEPF Suspend Account in respect of which dividends remained unpaid/unclaimed for a period of seven consecutive years or more. In compliance to the said requirement, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Details of the said shares are available on the website of the Company and can be accessed through the link: https://www.shreecement.com/pages/shareholders_information.php. The said details have also been submitted with the Ministry of Corporate Affairs and same can be accessed through the link: <http://www.iepf.gov.in/IEPFWebProject/SearchInvestorAction.do?method=gotoSearchInvestor>. Such shares can be claimed from IEPF authority by filing Form No. IEPF-5 in the prescribed manner.

Usage of electronic payment modes for making dividend payments to the investors

Shareholders can opt for receiving dividend credit directly into their bank account by updating their bank account details with the Depository Participants in case the same are held in dematerialised mode or with the Registrar & Share Transfer Agent of the Company in case the share are held in physical form. The Company, wherever it is possible based on the details submitted by members to Registrar & Share Transfer Agent or Depository Participants, as the case may be, is using electronic modes such as RTGS, NEFT, NECS, Direct Credit for making payment of dividend amounts. In remaining cases, payable at-par demand Drafts / Pay Order are issued in favour of members and dispatched to their registered address.



Disclosure relating to Demat Suspense Account/ Unclaimed Suspense Account

Regulation 39(4) of the Listing Regulations read with Schedule VI provides for the manner of dealing with unclaimed shares. As per the provisions, the Company is required to dematerialise such shares which have been returned as undelivered by postal authorities and hold the same in Unclaimed Suspense Account with a Depository. Disclosure pursuant to the unclaimed shares held by the Company as on 31st March, 2020 is given below:-

Particulars	Aggregate number of Shareholders	Outstanding shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the beginning of the year i.e. 1 st April, 2019	1	100
Number of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	-	-
Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	-	-
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account at the end of the year i.e. 31 st March, 2020	1	100

The voting rights on the aforesaid shares shall remain frozen till the rightful owner claims the shares.

Correspondence regarding change of address, bank mandate, etc.

Shareholders are requested to ensure that all events of change of address, change in bank particulars, etc., are intimated to Company or Share Transfer Agent promptly. Such requests duly signed by all holders, where there are more than one, along with supporting documents such as proof of residence and proof of identification should be sent for updating Company's records. Shareholders who hold shares in dematerialised form should correspond with the Depository Participant with whom they have opened Demat Account(s).

Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, depositories and is also placed before the Board of Directors in their meetings.

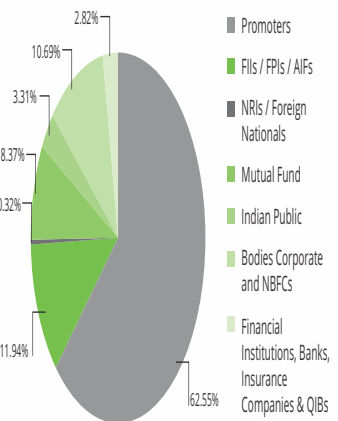
Distribution of Shareholding as on 31st March, 2020

Sl. No.	Slab of shares	No. of Holders	% to Holders	No. of Shares	% to Total No. of Shares
1.	1 - 50	37,646	89.78	3,51,600	0.97
2.	51 - 100	1,851	4.41	1,55,179	0.43
3.	101 - 200	920	2.20	1,43,974	0.40
4.	201 - 500	641	1.53	2,20,961	0.61
5.	501 - 1000	328	0.78	2,49,961	0.69
6.	1001 - 5000	292	0.70	6,80,495	1.89
7.	5001 - 10000	85	0.20	6,23,098	1.73
8.	10001 and above	168	0.40	3,36,55,480	93.28
	TOTAL	41,931	100.00	3,60,80,748	100.00

Note: Total no. of shareholders stated based on no. of Beneficial Account(s) / Folio(s).

Shareholding Pattern

Description	No. of Shares held	
	31.03.2020	% of holding
Promoters	2,25,69,797	62.55%
FIs / FPIs / AIFs	43,08,463	11.94%
NRIs / Foreign Nationals	1,16,733	0.32%
Mutual Fund	30,21,289	8.37%
Indian Public	11,95,421	3.31%
Bodies Corporate and NBFCs	38,55,478	10.69%
Financial Institutions, Banks, Insurance Companies & QIBs	10,13,567	2.82%
Total	3,60,80,748	100.00%



Dematerialisation of Shares & Liquidity

The trading in the Company's Equity Shares has been permitted in Demat form w.e.f. 29th November, 1999. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for maintaining and facilitating transactions in the Company's shares in electronic mode. In view of the advantage offered by the Depository System, Members are requested to avail the facility of dematerialisation. 89.91% of total equity share capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2020 (As on 31st March, 2019: 89.48%).

The shares are actively traded at BSE and NSE and have adequate liquidity.

There were no outstanding GDRs / ADRs / Warrants or any other Convertible Instruments as on 31st March, 2020.

**Plants Location****RAJASTHAN**

1	Beawar: Bangur Nagar, Beawar, Distt.: Ajmer, Rajasthan - 305 901
2	Ras: Bangur City, Ras, Tehsil: Jaitaran, Distt.: Pali, Rajasthan - 306 107
3	Khushkhara: Plot No. SP3-II / A-1, RIICO Industrial Area, Khushkhara, Tehsil: Bhiwadi, Distt.: Alwar, Rajasthan - 301 707
4	Suratgarh: Near N.H.-15, Udaipur - Udasar, Tehsil: Suratgarh, Distt.: Sriganganagar, Rajasthan - 335 804
5	Jobner (Jaipur): Mahela - Jobner Road, Village: Aslapur, Tehsil: Phulera, Distt.: Jaipur, Rajasthan - 303 331

CHHATTISGARH

6	Baloda Bazar: Village Khapradih, Tehsil: Simga, Distt.: Balodabazar, Chhattisgarh - 493 332
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KARNATAKA

7	Kodla: Village Kodla & Benkanhalli, Taluk: Sedam Distt.: Kalaburagi, Karnataka - 585222
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UTTARAKHAND

8	Laksar (Roorkee): Akbarpur - Oud, Tehsil: Laksar, Distt.: Haridwar, Uttarakhand - 247 663
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HARYANA

9	Panipat: Village - Khukhrarna, P. O. - Asan Kalan, Tehsil - Madloda, Distt: Panipat (Haryana)
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UTTAR PRADESH

10	Bulandshahr: 12, Sikandrabad Industrial Area, Sikandrabad, Distt.: Bulandshahr, Uttar Pradesh - 203 205
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BIHAR

11	Aurangabad: Industrial Growth Centre Biada, Near Jasoia More, Post: Mojurahi, Distt.: Aurangabad, Bihar - 824 102
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JHARKHAND

12	Saraikela: PO - Burudh, Hansda, District : Saraikela - Kharsawan, Jharkhand - 833210
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DECLARATION ON CODE OF CONDUCT

As provided under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended on 31st March, 2020.

for **SHREE CEMENT LIMITED**

H. M. Bangur
Managing Director
DIN: 00244329

Place: Kolkata
Date: 8th May, 2020

**Registered Office & Address for Correspondence:**

Shree Cement Limited, Post Box No. 33,
Bangur Nagar, Beawar - 305 901
Distt: Ajmer, Rajasthan
Phone: +91-1462-228101-06
Fax: +91-1462-228117 / 228119
Toll Free No.: 1800 180 6003 / 6004
Email: shreebwr@shreecement.com

Clarifications on financial statements:

Shri Subhash Jajoo, Chief Finance Officer
Phone: +91-33-22390601-05
Fax: +91-33-22434226
E-mail: jajoo@shreecement.com

Shareholders' Queries:

Shri S.S. Khandelwal - Company Secretary
Phone: +91-1462-228101 to 06
Fax: +91-1462-228117/19
Toll Free: 1800 180 6003 / 6004
Exclusive e-mail ID for shareholders' queries:
investor@shreecement.com

Registrar and Share Transfer Agents:

Link Intime India Private Limited
Unit: SHREE CEMENT LIMITED
C101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai 400 083
Tel: 022 - 4918 6270, Fax: 022 - 49186060
Email: rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in
Contact Person: Ms. Rima Shah, Manager